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What we need is not "Preparedness" on a gigantic scale, but intelligent and firm use of the forces we already have. All our troops ought to be on the way to Mexico right now and the militia drilling. We shall gain nothing by delay. The Mexican masses are too ignorant to put faith in the United States until after we have controlled their country long enough for them to see that we meant to teach them how to govern it right when we took it over.

Oh, why can't some power bring Mr. Wilson to see the truth about the Mexican character! You cannot rely on them as we do on a white man's word of honor, because their natural instincts make treason the most natural thing on earth. From their point of view, how can a man be fool enough to place consideration higher than his immediate personal interest? Honor doesn't pay, in their estimation.

Please, please, try and help the Administration to bring common sense to bear on this international tangle! The wisest course is always the simplest, bravest, most direct course. Shall we make of this a short, decisive subduing of the lawless element in the entire Mexican nation, with several years of later assistance that will enable them to stand on their own feet; or shall we send our best men in by handfuls to catch a few individual bandits, and have American blood spilled to no purpose but to make ourselves a laughing-stock among nations? We can't help Mexico this way; we are only injuring ourselves.

Laura Althea Hill.

SAN MARCOS, TEXAS.

CAN WAGE-EARNERS SAVE?

SIR,—In an article, "Capitalism and Social Discontent," by J. Laurence Laughlin, in the March issue of THE NORTH AMERICAN REVIEW, the writer asks the question: "Then why is it that in the labor literature of our day, 'Capitalism' is used as a term of reproach or objugation?"

The answer from the viewpoint of Labor is that capitalism represents a condition of society under which the working classes function only as possessors of powers for the creation of returns upon capital possessed by the capitalist class. A pleasing conclusion reached by the writer was stated in the words: "Betterment cannot be permanently or even sensibly advanced so long as men are merely receivers of wages." But the suggested remedy of extending capitalism so as to give laborers, through their ownership of capital, some of the advantages of capital, is profoundly useless.

Before a wage worker can derive any income above his wages he must possess capital, and to obtain it he must save it out of his wages. Saving is an impossibility because the whole mechanism of the wages system so turns as to make wages equal only to the cost of subsistence. The writer agrees that so long as men are merely receivers of wages no sensible or permanent betterment can take place, but in spite of the conclusions expressed in this statement he proposes in another place that men lift themselves out of their positions by saving! The worker would hardly appreciate such an invitation to create something out of nothing.

It appears from the article itself that so far as economics is concerned, no hope can be held out for the wage worker as such. The writer passes to an entirely different field and speaks of individual qualities, such as

patience, persistence, foresight, as keys to success as a capitalist. One is tempted to ask if it is the capitalist class or the working class who display these qualities in greater abundance? The difference in position is, however, due to much more than these. While the possession of certain characteristics may take individuals out of their class, no change in general class relations is effected—and would not be if all men approached moral perfection.

The mass of wage workers find themselves compelled by iron necessity to work for wages, and from the moment they become employed the production of capital begins. Capital is spoken of in the article as being "saved," but the main point of interest is that it is *created*. Nor is there such a loose relation, or any relation at all, between wages and the price of products as the writer intimates. The price of commodities is governed by the same law which determines wages. The value of commodities is regulated by the labor required for their production. Wages, which represent the price of labor power, are determined in the same way, being equal in value to the value of the commodities for which the worker exchanges his wages for the purpose of keeping himself alive. The value of wages paid is reproduced in the value of the products. And more: an increased value is produced—a value in excess of all values of capital consumed. It is precisely this surplus value which the capitalist appropriates as his own, and out of which he can set a portion aside for purposes of increased production—boasting meanwhile that it represents his "savings." It represents nothing more than a portion of unpaid labor.

To ask the workers to save is useless. They are dispossessed before they even have an opportunity to do so. A more or less clear comprehension of their position leads inevitably to social unrest. The remedy is neither less capitalism nor "more capitalism," but no capitalism at all.

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THE CASE FOR THE WORKING MAN

SIR,—The case for "Capitalism" as presented in the March REVIEW by Professor J. L. Laughlin does not carry conviction with the working man. While agreeing with Professor Laughlin's summary of the good that capital has accomplished, the laborer cannot accept the conclusion that "the true remedy for a healthy 'social discontent' is more capitalism." "The situation," says Professor Laughlin, "is one of the laborer's own creating. The remedy is, in the main, not social but personal." The weight of his argument seems to fall upon three main propositions. They are:

1. The enormous mass of modern industrial capital has come into existence by a personal process of saving.
2. A person who has self-control, patience, persistence, foresight, prudence, and a willingness [to wait], inevitably becomes a possessor of savings and is thus a capitalist.
3. The improvement of the position of the poorer laborer is largely dependent on internal ethical growth and self-control.

The first proposition can hardly be true if we accept the common meaning of the word "saving," that is, being economical. The term is usually applied to the efforts of working people to accumulate a small surplus out of meagre earnings. Much of our industrial capital is being furnished by men of